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LB 283, 407, 759

know the history of that site you'll know that it was because of a federal requirement that the state of Nebraska entered into a compact and now finds ourselves in litigation. So I find some comfort in the fact that those dollars are coming here and that the Legislature has chosen at this point to put them in the reserve so that they would be available in the event that we do lose that case. It wouldn't pay the entire settlement, but at least it would go a long way to paying the state's liability there. Our economy is struggling. There's no question about that. Last week we saw a stock rally. Once again, was not really sustained. We're just flat. And so, while what Senator Beutler holds out to us is very tempting, I think that it would be a mistake for us to move any dollars that come our way out of the reserve because, in fact, we do not know what the year will hold. And we do also know that our cash flow problem will be significant this year. Even though LB 759 was created with a lot of tax increases, if you look at the flow of the dollars you know that income tax rate increases do not come in month by month. They're paid in quarterly estimates or they are paid at the end of the year, due April 15. So in fact we're not going to see a change in withholding so we're not going to see an increase in receipts from income tax as a result of LB 759. We may see some measure of sales tax, but as we are in this slump and as we are struggling with the spending increases that were created in LB 407, we will definitely see a cash flow problem. So I think that, in light of LB 407, it will be necessary for us to hold the entire amount in the Reserve Fund. I wish it were otherwise, but I believe that's the prudent thing to do. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Redfield. Senator Wehrbein, on the Beutler amendment.

SENATOR WEHRBEIN: Thank you, Mr. President, members. I rise to strongly oppose both of the amendments that Senator Beutler has proposed, and I will tell you I'll ride the horse as hard as I have to in order to make my point. We're down about \$25 million at this point in our estimate for the year and we haven't finished this month, obviously, or next month. So I think anything that we do it's prudent to be conservative, is going to be necessarily the watchword. And I want to comment about two